

House lawmakers this week are considering the fiscal 2012 Defense authorization bill, which includes a number of provisions that would affect the pay and benefits of both military personnel and civilians at the Defense Department.

While federal civilian pay is frozen through 2012, the authorization bill includes a 1.6 percent pay raise for military service members. The figure is the same as President Obama's request in his fiscal 2012 budget proposal and slightly more than his fiscal 2011 request of 1.4 percent, which Congress approved this spring.

If the legislation passes, military retirees and their dependents also would see a slight jump in health care costs each year. The House Armed Services Subcommittee on Military Personnel earlier this month approved a version of the bill that included a provision to prohibit for one year fee increases to TRICARE Prime, but the legislation now under consideration would limit future increases to the annual cost-of-living adjustments applied to military retirement annuities. The change would take effect in 2013 for the plan's 1.6 million beneficiaries.

Increasing health care premiums for military retirees has long been a politically sensitive subject, with lawmakers and military advocates wary of appearing ungrateful for the sacrifices of service members. Participant fees under TRICARE were set in 1995 and have remained at \$460 per year for the basic family plan. But the cost for comparable coverage for federal workers is between \$5,000 and \$6,000 annually. According to Congressional Budget Office estimates, TRICARE Prime fees in 2012 will total \$260 for individual enrollees and \$520 for families.

The Pentagon had proposed a 13 percent increase in 2012, indexed thereafter to slightly more than 6 percent. Defense's fiscal 2012 budget request includes \$52.5 billion for the TRICARE program, a 300 percent increase from its budget a decade ago. And in April, the military launched the TRICARE Young Adult Program, a provision in the fiscal 2011 Defense Authorization Act that gives unmarried dependents who don't have their own employer-based insurance the option of buying month-to-month health coverage until age 26.

The House Rules Committee this week approved several additional provisions to the bill that would affect the Defense civilian workforce. An amendment from **Rep. John Campbell, R-Calif**., would reduce the number of civilian employees at the department by 1 percent each year for

five years. Rep. Nan Hayworth, R-N.Y., offered a measure that would prevent Defense from converting contractor positions to civilian jobs involving any responsibilities that are not inherently governmental.

COLAs for Vets Disabled veterans and their families are one step closer to receiving annual cost-of-living adjustments. House lawmakers Monday approved legislation that would boost veterans' benefits based on inflation and other factors that contribute to a rise in the cost of living.

Rep. Jon Runyan, R-N.J., sponsored the bill, which would increase disability compensation to veterans based on the annual cost-of-living adjustment paid to Social Security recipients. The legislation also would boost dependency and indemnity benefits distributed to surviving spouses and children. The increase would take effect Dec. 1.

Sen. Patty Murray, D-Wash., earlier this month introduced similar legislation, but her proposal has yet to be considered.